

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 2544 – SB 2523**

May 7, 2010

**SUMMARY OF AMENDMENT (018054):** Deletes all language of the original bill. Creates an offense of “super speeding” when a driver is exceeding the speed limit by 25 miles per hour or more. Classifies a violation as a Class B misdemeanor punishable by a fine of not less than \$200 nor more than \$500. Prohibits the prosecution or conviction of a person for the offense of super speeding and for violating Tenn. Code Ann. § 55-8-152(a), (c) or (f)(1) relative to speeding, based upon the same conduct. Requires that \$20 from each fine be deposited into the General Fund. Requires half of the remaining proceeds be deposited into the Trauma System Fund and the other half be allocated to the Department of Safety to be used for operation and maintenance of the Tennessee Integrated Traffic Analysis Network (TITAN).

**FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Revenue - \$3,762,000/Trauma System Fund

Decrease State Revenue - \$313,100/General Fund

Increase Local Revenue – Net Impact - \$181,500

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase State Revenue –**

**\$837,000/Trauma System Fund**

**\$837,000/Earmarked for Department of Safety TITAN**

**Net Impact – \$36,000/General Fund**

**Increase Local Revenue – Net Impact – \$90,000**

Assumptions applied to amendment:

- The Department of Safety (DOS) estimates the number of convictions to be 12,800 per year statewide.
- According to DOS, the average fine under current law is \$15 per violation.
- Twenty-five percent will not pay fines due to indigence.
- Five percent of fine revenue is retained by local government as commission.
- Fine revenue (under current law) retained by local government is estimated to be \$7,200 per year (12,800 x \$15 x 75% x 5%).

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- Fine revenue (under current law) remitted to the state is estimated to be \$136,800 per year ( $12,800 \times \$15 \times 75\% \times 95\%$ ).
- The number of offenders is expected to decline due to a deterrent effect from increased fines. It is estimated that the number of offenders will decline by approximately 10 percent. This will result in approximately 11,520 convictions ( $12,800 \times 90\%$ ).
- The average fine will be approximately \$225.
- Fine revenue (under this bill) retained by local government is estimated to be \$97,200 per year ( $11,520 \times \$225 \times 75\% \times 5\%$ ).
- The net increase to local government revenue is estimated to be \$90,000 per year ( $\$97,200 - \$7,200$ ).
- Fine revenue (under this bill) remitted to the state is estimated to be \$1,846,800 per year ( $11,520 \times \$225 \times 75\% \times 95\%$ ).
- Under current law, 100 percent of the fine revenue remitted to the state is deposited to the General Fund. Therefore, the decrease of state revenue to the General Fund is estimated to be \$136,800 per year.
- Twenty dollars from each fine will be deposited in the General Fund for a total of \$172,800 ( $11,520 \times \$20 \times 75\%$ ). The net increase to the General Fund will be \$36,000 each year ( $\$172,800 - \$136,800$ ).
- Half of the remaining proceeds will be allocated to the Trauma System Fund. There will be an increase to recurring state revenue to the Trauma System Fund of \$837,000 [ $(\$1,846,800 - \$172,800) \times 50\%$ ].
- Half of the remaining proceeds will be allocated to the Department of Safety. There will be an increase to recurring state revenue of \$837,000 for the TITAN network.

## CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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